NSC BRIEFING

5 DECEMBER 1956

PROBLEMS IN THE "FAITHFUL" SATELLITES

- I. The most pressing problem of Soviet leaders today is to find a satisfactory solution to their Satellite problems.
 - A. In Hungary they face an increasingly chaotic political and economic situation and a violently hostile population which shows no signs of acquiescence.
 - B. In Poland they have worked out at least a temporary arrangement with Gomulka but they cannot be certain it is workable.
 - C. Meanwhile the impact of these events in the other Satellites has presented Moscow with new problems, in particular the question of how to deal with growing popular unrest.
- II. Perhaps because Rumanian popular unrest is as high or higher than anywhere else among the "faithful" Satellites, Moscow has chosen Rumania to act as the co-signer of a 3 Dec communique which is, in effect, a Soviet declaration of post-Hungarian Satellite policy and which reveals how Moscow intends to handle relations with its "faithful" Satellites—as contrasted with rebellious Hungary and unfaithful Poland.
 - A. The contrast suggests that, to date, a certain degree of infidelity pays off rather well.
 - B. Moscow's policy will be two-fold.
 - 1. The Soviet leaders have no intention, at present, of scrapping the window-dressing of previous policies; lip service to the ideas of "national sovereignty" will continue, and economic aid to the Satellites will be stepped up.

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- 2. However, the major emphasis is now to be on increasing the "unity" of the "socialist camp."
- C. The communique provides other contrasts between Rumania and Poland.
 - 1. Soviet troops in Rumania are not to be removed for the present, because of the "aggressive" policies of "Western imperialists." Gomulka, in contrast, managed to get a pledge that the Polish regime would have a voice in the movement of Soviet troops in Poland.
 - 2. Rumania was promised some Soviet economic aid, but it is relatively insignificant compared to that promised Poland.

 Repayment of certain Rumanian debts, for example, were "postponed", while Polish debts were cancelled.
 - 3. Rumania specifically endorsed the Soviet line on Hungary:
 Poland was able to avoid any statement on Soviet intervention.
- III. Rumanian Party reaction to the 3 Dec communique will probably bolster the stability of the Gheorghiu-Dej regime.
 - A. The communique removes all doubt as to Moscow's support of Gheorghiu-Dej and should effectively eliminate any hopes in the Party that Moscow might encourage significant internal liberalization.
 - B. Popular reaction, on the other hand, will probably range from dismay to fury. The Rumanian people are restive, stirred up by events in Hungary and by increasing economic privation at home.

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- C. Some local demonstrations are possible, particularly among students and peasants, although the regime has instituted strong security measures.
 - 1. There have been reports that the Rumanian army is being disarmed by the Soviets. Although these reports have not been confirmed, the Rumanian army is not considered a reliable instrument.
 - 2. The US legation feels, however, that a popular uprising is unlikely, although the "situation bears close watching."
- D. The Rumanian regime is also faced with a large (1,750,000) and restive Hungarian minority in Transylvania.
- E. If Soviet economic aid (which includes wheat and fodder shipments on credit) tides Rumania through the winter without any worsening of the bad economic situation, peasant discontent may quiet down. The problems of student unrest and the Hungarian minority, however, will probably remain a sore spot for some time to come.
- IV. Bulgarian leaders are now in Moscow, and will probably depart with an agreement similar to Rumania's.
 - A. The agreement will probably shore up the position of the present orthodox Bulgarian leadership, which is faced not only with widespread popular unrest but growing discontent within the Party.
 - 1. A minority of the Bulgarian Party's central committee is agitating for increased independence of Moscow.
 - 2. A majority of party activists are reportedly opposed to the present leaders and would willingly support a new leadership.

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- 3. In addition, widespread discontent, stemming primarily from economic conditions, exists among workers, students and intellectuals.
- 4. These elements, however, have not gained sufficient strength and unity to overthrow the present leaders or alter the present hard policies.
- B. The French Foreign Office believes that Bulgaria is "ripe for revolt and is likely to be the next Satellite to blow up."
- 1. Regime leaders, however, are well aware of the situation and have taken steps to prevent a violent upheaval.
 - has recently arrested 1,200 and reopened at least one concentration camp.
 - 3. The regime has also made a number of economic concessions (ranging from 15 to 18% wage increases) to placate the population.
 - 4. Press reports of the movement of Soviet troops into Bulgaria are unconfirmed and appear to be without foundation.
- V. In Albania, in contrast to Rumania and Bulgaria, recent developments—and especially the renewal of the ideological dispute between the Kremlin and Tito—have apparently strengthened the confidence of the pro-Muscovite Albanian leaders in their position.
 - A. The Albanian regime has resumed its attacks on Tito.
 - 1. On 28 Nov, an Albanian politburo member publicly called "Tito" a traitor in the hands of imperialists," and charged that "Tito's path to socialism is a path of collaboration with our enemies."

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- 2. Albania has also announced the execution of 3 pro-Titoist leaders. The Yugoslavs claim that a wave of arrests is engulfing all opponents of the Albanian regime.
- B. Since Yugoslav influence has been the only effective challenge to Albania's present leadership, both Albanian First Secretary Hoxha and Premker Shehu have probably welcomed this opportunity to attack Yugoslavia openly.
- VI. In Czechoslovakia, the regime's leaders—ever-faithful to the dictates of Moscow—are now, in the words of US Embassy Prague, "looking homeward to Stalinism." In this, they are outdoing Moscow itself—not only through fear of popular unrest at home but also because most Czech leaders have always been unhappy about Bloc trends toward liberalization.
 - A. Symbolizing the return to harsher political measures, the Czech leaders recently "rehabilitated" their Stalinist hero, former party chief Klement Gottwald (who died in March '53). Last spring, they had reluctantly and mildly censured Gottwald for his "cult-of-personality" sins, but now they have ceremoniously hailed him as all-wise and all-good.
 - B. The "rehabilitation" should serve warning on any Party members who still hope for increased Czech democratization and independence from Moscow. The regime has warned the public as well--both through increased internal security measures and through a vigorous anti-Western press campaign.
 - 1. Once or twice a week since the Hungarian revolution, Czech papers have carried stories of the arrest or trial of alleged American espionage agents.

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- C. In case anyone missed their point, the Czech regime has repeatedly gone out of its way to pledge its soul to Moscow.
 - 1. Premier Siroky, for example, said, regarding Soviet troop intervention in Hungary: "All the more, our sympathy is with the Soviet Union and its brave army, which, at the request of the Hungarian government...assisted the Hungarian people in crushing the counterrevolution."
 - 2. Siroky added: "Czechoslovak-Soviet friendship is so deeply rooted in the hearts of the people that no force on earth can dislodge it."
- hard-line, public warnings and adulation of Moscow with a campaign to convince the Czech people that, economically they are much better off that, the people of Poland and Hungary. The regime has reduced prices, raised some wages and liberalized pension payments.
 - 1. The Czech people have been quiescent ever since last June, when the Party leaders cracked down on those voicing anti-regime sentiments.
 - 2. Our ambassador in Prague (Alexis Johnson) has reported the united belief of Western diplomatic officials in Prague that there will be no uprising in Czechoslovakia.
- VII. Finally, in <u>East Germany</u>, recent Soviet actions and statements by East German leaders indicate that no relaxation of control or liberalization is in prospect there.

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- A. Soviet forces in East Germany are being maintained in a high state of readiness. The program of re-equipping these forces with the latest weapons and armor continues.
- B. The recent Soviet re-assumption of control of East Germany's borders suggests that the USSR has made a fundamental reassessment of East German capabilities and reliability in light of Hungarian and Polish developments.
 - 1. The Soviets have also imposed new harassments on Allied

 Aail and road traffic to Berlin in a further move to tighten
 border controls.
- C. The East German regime continues to proclaim reunification of Germany as a principal goal. However, it has taken no concrete steps in this direction and has steadfastly opposed liberal policies, such as Poland has adopted, which might improve the climate for all-German negotiations.
 - 1. Repeated East German insistence that the area's "socialist gains" cannot be sacrificed, as well as the GDR's close identification with the Kremlin during the present Eastern European crisis, suggest that the Communists are not seriously contemplating reunification.
- D. Meanwhile, East German pppular hatred of both the Soviet Union and domestic Communism appears to be even more intense as a result of the Hungarian tragedy.
- E. The East German people are nonetheless distinclined to take any overt action against their regime.
 - 1. They are well aware of Soviet capabilities and readiness for quelling disorders.

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- 2. They have vivid memories of the failure of their June '53 uprising.
- 3. They are increasingly convinced that the West would not come to their aid, even if West Berlin were threatened.